



CONFIDENTIAL ESOP

PRELIMINARY ASSESSMENT QUESTIONNAIRE

Does your company qualify for an ESOP (Employee Stock Ownership Plan)? Can your shareholder, corporate, and management objectives be addressed by an ESOP?

By answering the questions listed below, and return the questionnaire by e-mail (save as a word document) or fax, we will provide you with preliminary analysis at no cost.

Company Information:

Company Name:

Mailing Address:

City, State, Zip Code:

Street Address (for overnight delivery purposes):

City, State, Zip Code:

Telephone Number:

FAX Number:

E-mail:

Website Address:

Person(s) to contact regarding this information:

Name:

Name:

Title:

Title:

Principal business activity:

How many locations?:

Yrs. in business?

Names of Subsidiaries and Locations:

State where incorporated:

Fiscal Year End:

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Type of Corporation: C Corporation Subchapter S Year of Incorporation

Is stock publicly traded? Yes No If yes, where?

Most recent valuation of business, as of: ___ / ___ / ___ Value: \$ _____

Determined by whom? _____ Purpose? _____

Last year's revenue: \$ _____ Pre-tax earnings: \$ _____

Current year projected revenue: _____ pre-tax earnings: _____

Next year's projected Revenue: _____ pre-tax earnings: _____

Outstanding Long Term Debt on the balance sheet:

1. **How did you hear about us?** Conference/Workshop Internet Other
 Personal reference by

2. **Employee Information:**
- | | Number of
Employees | Annual
Payroll |
|--|------------------------|-------------------|
|--|------------------------|-------------------|

Salaried:

Hourly Non-Union:

Hourly Union:

3. **Stock Information:**

Number of stockholders (estimate for public):

Number of "5% or greater" stockholders:

Percentages of stock owned by major shareholder(s):

Classes of stock:

Number of shares outstanding for each class:

Are any stock sales pending?:

Are major stockholders active in the business?: Yes No

Are family members of major stockholders active in the business?: Yes No

If so, please specify relationships (spouse, son, daughter, etc.):

4. **Tax Rate Information, if C, Corporate Rate; S, Personal Rate:**

	Federal	State
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Last Year:

Current Year:

Next Year:

5. Employee Benefit Plan Information:

Please provide the following information for your existing tax-qualified plans:

	Most Recent Annual Employer Contributions (\$)	Current Employer- Contributed Assets (\$)
Profit Sharing Plan		
401(k) Plan		
Defined Benefit Plan		
Under funded:	Over funded:	How much?
Other:		

Any of the above plans top-heavy?: Yes No Not Sure

Do you currently have any type of stock bonus, purchase, option or synthetic equity plans in place?

If so, please provide a description:

6. Principal Objectives For Considering An ESOP (Please Rank 1, 2, etc. or N/A):

“Tax-free” Liquidity	Perpetuation
Going Private	Tax-Free S Corporation Income
Estate Planning	Corporate Divestiture or Acquisition
Employee Retention & Motivation	Charitable Giving
Increase Working Capital	

Please describe any intended ESOP transaction currently under consideration. Please provide any additional information that would be helpful:

7. Key Advisors:

Accountant:

Attorney:

Principal Bank:

Insurance Agent:

8. Preliminary Assessment Tax Savings Estimate

We have a model which illustrates the projected tax savings and cash flow of an ESOP transaction on a preliminary basis. If you would like this additional analysis please provide the following information for the next seven years. A rough estimate and growth rates are acceptable for this level of analysis. A spreadsheet for collecting this data is available upon request.

- Pre-tax income (before 401(k) match or Profit Sharing Plan Contribution)
- 401(k) match
- Other significant Income/ (Expenses)
- Cash at the beginning of the current year
- Depreciation
- Non-ESOP Debt Amortization (Principle Payments)
- Capital Expenditures
- Growth rate for payroll provided in #2 above
- Most recent financials (not required, but is helpful)

All materials are treated confidentially; as the confidentiality agreement below indicates.

Confidentiality Agreement

ESI agrees that any non-publicly disclosed data provided by _____ or other parties in connection with ESI's preliminary work hereunder is proprietary and belongs to _____ and is highly confidential, and will not be disclosed, directly or indirectly, to third parties without _____'s advance written consent, even after the completion of this project, unless required by law.